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Top Secret

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DIRECTORATE OF INTELLIGENCE

# Developments in Indochina

FEPAC DIV

State Dept. review completed

DIA review(s) completed.

## **Top Secret**

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26 February 1973

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#### DEVELOPMENTS IN INDOCHINA

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LAOS

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CAMBODIA

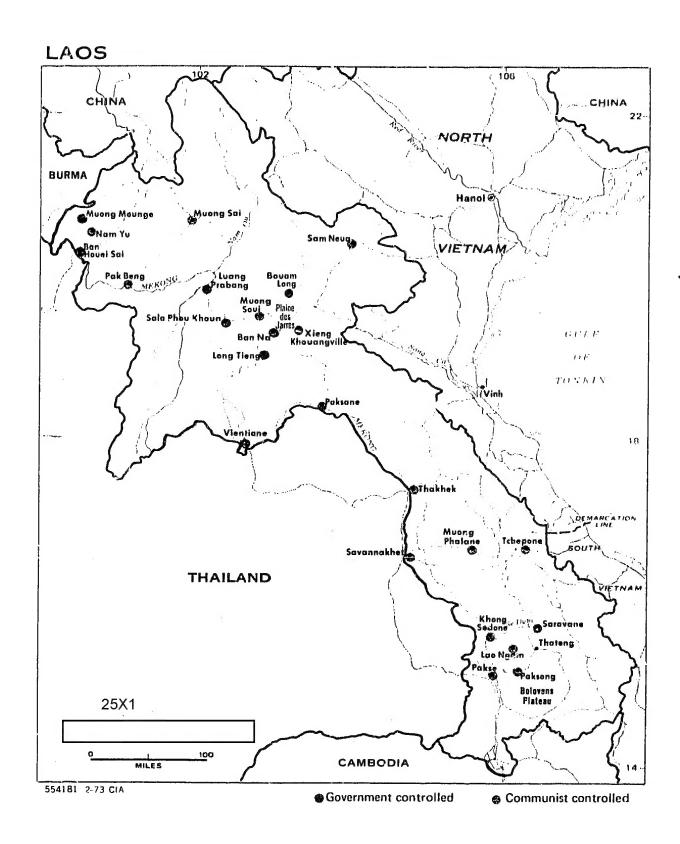
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Insurgents continue to harass Routes 2 and 3. Additional information about the doctor serving as intermediary between First Minister Hak and the insurgent "ghosts" suggests that the contact should be treated with caution.

SOUTH VIETNAM

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The fighting is very light. Bao Dai supporters in the Saigon area are getting organized. Communist troops are engaged in reconstruction efforts.



#### LAOS

The cease-fire appears to be settling in with only minor incidents reported in the past 48 hours. In the south, government patrols over the weekend clashed with small enemy units near Thateng and Khong Sedone, and Communist gunners harassed government positions just west of Paksong. Farther north, a Lao Army force attacked and dispersed on 23 February was again attacked on 25 February as it regrouped along Route 13 some 25 miles north of Thakhek. Lao aircraft continue to fly tactical missions in support of government units throughout the south.

East of the Plaine des Jarres, Communist gunners are still shelling irregular positions in the hills south of Xieng Khouangville. South of the Plaine, there have been no significant violations and Vang Pao's troops in that area have been meeting with North Vietnamese units to arrange informal cease-fire guidelines. No air strikes were carried out in this sector on 25 February.

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#### Phasouk Ponders Political Problems

General Phasouk, the Lao Army chief of staff who is an influential figure in southern political affairs, recently presented a somber appraisal of the government's problems in competing politically with the Lao Communists.

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Phasouk sees the Lao Army as the only force capable of organizing the government side, and he has already ordered political action teams in southern Laos to take to the field immediately to work among the villagers.

Phasouk's fears appear to be based on the non-Communist performance in the legislative elections held in Laos during 1957—the only elections since independence in which the Communists freely participated. The Communists and an allied party garnered only 32 percent of the vote, but won 13 of the 21 seats because the non-Communist vote was split between 85 candidates. The Lao cease—fire agreement of 1973 provides that the procedures and timing for a new National Assembly election will be agreed upon by both sides. Such negotiations will almost certainly see the Communists demand guarantees barring any participation by the Lao Army in the elections.

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#### CAMBODIA

Military activity continues to center on Routes 2 and 3 where Khmer insurgents continue to harass small government positions. A two-battalion government force that had been advancing slowly down Route 3 has been stalled by insurgent resistance about 20 miles south of Phnom Penh. On Route 2, insurgent attacks forced Cambodian troops to abandon three outposts near the South Vietnam border on 25 February. Meanwhile, the government is still organizing an operation to clear sections of Route 2 between Phnom Penh and the town of Takeo.

Demonstrations in Phnom Penh

The US Defense Attache reports that two demonstrations occurred in the capital on 26 February. One involved a handful of soldiers who entered the Military Bank seeking back pay. the other incident involved another small group of soldiers that tried unsuccessfully to prevent military police from breaking up a student demonstration over high prices. Order was quickly restored in both cases, but the city's central market was closed temporarily to help avert further incidents.

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## A Questionable Intermediary

Dr. Mok-Lean, the intermediary First Minister Hang Thun Hak has reportedly been using to contact Khmer insurgent "interior minister" Hou Yuon, has told a US Embassy officer he had known Hou Yuon before he disappeared from Phnom Penh in 1967. The doctor also claimed he knew insurgent "defense minister" Khieu Samphan as well, but that he only knew "information minister" Hu Nim on sight.

Hak apparently chose Mok-Lean as his intermediary primarily because of his acquaintance with

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the insurgent leaders. Although the doctor's political predilections are rather murky, he evidently dislikes Lon Nol and Lon Non and does not want a Communist system of government in Cambodia.

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#### FOUTH VIETNAM MILITARY SITUATION

Fighting throughout the country was the lightest since the cease-fire was announced. Fewer incidents were reported and most were of minor importance.

South Vietnamese units apparently control Route 14 from Pleiku to Ban Me Thuot and are repairing some bridges on the highway to assure through traffic for the next two days. Communist units continue to harass convoys from Pleiku to Kontum City, but most trucks are getting through.

### Bao Dai for Third Force?

Since Bao Dai has been absent from South Vietnam for nearly 20 years, it seems unlikely that he retains very extensive support. There have been indications, however, that he has a following in the Hue area, and that at least one An Quang Buddhist leader may be interested in Bao Dai's return.

#### Communist Reconstruction Efforts

Communist main force units in South Vietnam are becoming increasingly involved in the reconstruction of hamlets and other settlement tasks. According to the US Embassy, newly constructed housing areas have been reported in enemy-held areas along Route 22, north of Tay Ninh City, and in the Michelin Plantation region of Binh Duong Province. Aerial observation of the Saigon River corridor northwest of the provincial capital of Phu Cuong revealed at least a dozen permanent individual homes solidly constructed.

Most of the building is probably the work of the North Vietnamese 7th Division. According to the South Vietnamese Military Region 3 staff, elements of this division have been ordered to build houses and clear land in Communist-held regions of Tay Ninh and Binh Duong provinces in preparation for the return of civilians. The division's 141st Regiment, for example, has been assigned to construct houses along a five-mile stretch of Route 13 a few miles north of a major government strong point at Lai khe. Other North Vietnamese infantry and sapper units have been tasked with refurbishing abandoned South Vietnamese military bases and setting up defenses for newly established hamlets.

Although many of these areas may still be uninhabited the reconstruction effort indicates that
the Communists hope to siphon off population from
government-held areas to fill their largely uninhabited zones once the fighting dies down. In areas
that are likely to remain sparsely populated, such
as the highlands, the Communists probably plan to
set up permanent installations and barracks to enable
their units to be relatively self-sufficient.

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